



DEPARTMENT OF THE AIR FORCE
WASHINGTON DC



OFFICE OF THE ASSISTANT SECRETARY

21 November 1997

AQ Policy 98A-001

MEMORANDUM FOR DISTRIBUTION

FROM: SAF/AQ
1060 Air Force Pentagon
Washington, DC 20330-1060

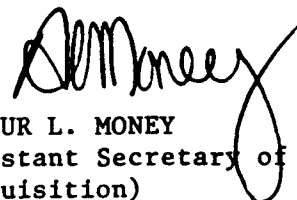
SUBJECT: Requiring Processes on Contract (USD(A&T) memo dated 18 Sep 97, same subject)

The Air Force generally does not encourage placing processes on contract, especially for new systems acquisitions. However, there may be occasions when critical processes are contractually required to protect both parties interests. On 18 Sep 97, Mr. Longuemare, Acting USD(A&T), issued the referenced policy (attachment 2) which clarifies restrictions on the use of standard management approaches or manufacturing practices in solicitations and contracts. The USD(A&T) policy is mandatory for Major Defense Acquisition Programs (MDAP) and the preferred approach for all new system acquisitions. The memo directs each service to establish a waiver process for MDAP programs for those occasions when a process is needed. This AQ Policy memo implements the USD(A&T) policy and establishes the waiver procedure for the Air Force.

It is important to understand that this restriction only applies to contractually required management approaches or manufacturing processes. This policy does not restrict processes directed by DoDD 5000.1, DoD 5000.2-R, FAR, or public law. This policy also does not restrict the use of interface standards, performance standards, and Standard Practices (defined in the DoD Index of Specifications and Standards (DoDISS)). These processes and standards are exempt from this policy and can be used when appropriate.

In order to cite a specific management approach or manufacturing process in a solicitation or contract, a MDAP program must obtain a waiver. The program manager must identify for approval each of the management approach(s) or manufacturing process(es) to be contractually cited and provide rationale for their use. The waiver request should be forwarded to the System Program Director (SPD) for approval. The signed waiver is returned to the Contracting Officer for inclusion in the contract file, with a copy sent to the Program Executive Officer (PEO) or Designated Acquisition Commander (DAC). In cases where the SPD is also the program manager the PEO/DAC is the waiver approval authority. Regardless of the approach used, waivers must be obtained before the RFP or solicitation is released, or prior to contract award for those processes not previously approved.

The PEOs and DACs are responsible for ensuring proper implementation of this policy. The Systems Engineering Group (SAF/AQRE) is responsible for developing and maintaining this policy. Point of contact for information on this policy is Maj Walter Hallman at DSN 223-3221.



ARTHUR L. MONEY
Assistant Secretary of the Air Force
(Acquisition)

Attachment

1. Distribution
2. OUSD(A&T) Processes Policy memo

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3

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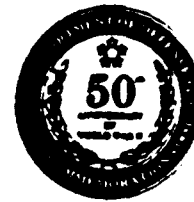
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Attachment 1



ACQUISITION AND
TECHNOLOGY

THE UNDER SECRETARY OF DEFENSE
3010 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-3010



SEP 18 1997

MEMORANDUM FOR COMPONENT ACQUISITION EXECUTIVES

Subject: Requiring Processes on Contract

It is Department of Defense policy to not require standard management approaches or manufacturing processes in solicitations and contracts, but rather to rely on performance based requirements whenever practicable. Many have interpreted this to apply only to processes described in Military Specifications and Standards. The policy applies to processes from any source whether MIL-STD, industry standard, company process, locally prepared technical document, or a process written into the system specification or other solicitation or contract document. This is mandatory for Major Defense Acquisition Programs (MDAP), and is the preferred approach for all new system acquisitions.

There may be rare occasions, however, where certain critical processes must be contractually required in order to protect both parties' interests. After reviewing program complexity and risk, it may be necessary as a last resort to require potential offerors to commit to critical processes. This should be done in a graduated fashion, first using the contractor's own processes specified in key attributes or performance parameters, then using industry accepted standards for the critical processes, and progressing through the least desirable step of placing government developed processes on contract. The RFP preparation team should ensure a flexible approach that encourages use of alternatives to government developed processes when specifying critical processes.

If, after due consideration, the government team decides to contractually specify a critical process, the program manager shall obtain a waiver from the appropriate Service or Agency authority. Note that existence of processes accepted under the Single Process Initiative may be cited as part of the justification for seeking such waivers. While this may be appropriate in instances where such processes are truly critical, the default should still be the elimination of contractually mandated processes.

Each acquisition executive shall establish, not later than two months from the date of this memorandum, a process for implementing this guidance. This guidance will be reflected in the next update to DoD Regulation 5000.2-R.

R. Noel Longuemare
Acting Under Secretary of Defense
(Acquisition and Technology)



ATCH 2